

Hollywood
Property Owners
Alliance

Monica Yamada
President
CIM Group

John Tronson
Vice President
Whitley Court Partners

Drew Planting
Treasurer
GPI

Jan Martin
Secretary
AMDA

Leslie Blumberg
The Fonda

Joseph D'Amore
CRC Entertainment

Darcy Derler-Judd
Robertson Properties
Group

Mark Echeverria
Musso & Frank Grill

Michael Gargano
Argent Ventures, LLC

David Green
Nederlander
West Coast

Brian D. Johnson
Loews Hollywood Hotel

Evan Kaizer
The Sieroty Company

Chad Lewis
Klein Financial

John Lyons
Avalon Hollywood

Frank Stephan
Clarett West
Development

Mark Stephenson
Hollywood United
Methodist Church

Alyssa Van-Breene
DDD-Hollywood/
Gower LLC

Kerry Morrison
Executive Director



Hollywood Property Owners Alliance

1680 Vine Street, Suite 414

Hollywood, CA 90028

phone 323 463 6767 fax 323 463 4229

January 30, 2015

TO: Miranda Paster, Office of the City Clerk

FROM: Kerry Morrison, Executive Director, HPOA

SUBJECT: Fourth Quarter Report, October 1, 2014 through December 31, 2014

As is required in our Agreement with the City of Los Angeles, I am submitting our Fourth Quarter Report to summarize key activities of the Hollywood Entertainment District.

I. Operational Issues

- To follow up on delinquent public parcels, staff send a letter to the state controller's office, per the board's instruction, requesting payment for the state courthouse parcel on Hollywood Blvd.. Copied on the letter were Assemblymember Richard Bloom, State Senator Kevin DeLeon along with several city officials.
- Staff worked with MTA officials over the quarter to help reconcile outstanding payments from MTA and HEI and 1600 Vine at the Hollywood & Vine property. Agreement was reached to forward \$143,000 in outstanding assessment payments to the BID.
- D&O insurance was secured, through the help of a new broker, Arthur J. Gallagher & Co, at a considerable savings over the previous year.
- David Benavente and Galo Medina resigned from the board during this quarter. Benavente's seat was filled by Evan Kaizer who was elected at the November board meeting.
- The 2014-15 Strategic Work Plan, prepared during the summer and shared with the board for their review in September, was adopted at the October board meeting.
- At the November meeting, the following slate of directors were elected:
 - John Tronson
 - Monica Yamada
 - David Green
 - Jan Martin
 - Brian Johnson
 - Darcy Derler-Judd
 - Chad Lewis

HED Fourth Quarter Report to City
2014

- The board elected a slate of officers for the coming year:
 - Monica Yamada, president
 - John Tronson, vice president
 - Jan Martin, secretary
 - Drew Planting, treasurer
- The 2015 budget was presented to the board for their review and approval at the November, 2014 board meeting. At that same meeting, the board approved the 2015 Planning Report, for presentation to the city.

II. Security

- A focus group to discuss the “donation station” concept was held on October 28, 2014, in conjunction with CD-13, to test the parking meter idea. It was attended by five area businesses who expressed interest in the project, but were not enthusiastic about paying for sponsorship costs (estimated at about \$2,500). The model used by Pasadena, the “Real Change” program was reviewed as Pasadena would grant permission to Hollywood to use this brand and website template. This project will continue into 2015.
- The video camera installation was completed during this final quarter at Hollywood Division. A working group was created to look at potential expansion of the system in 2015.
- Staff will work on a proposed policy statement in anticipation of the city’s consideration of a street vending ordinance in 2015.
- To promote ongoing outreach to homeless individuals in the BID, the board authorized expenditures of \$10,000 to The Center at Blessed Sacrament, \$5,000 to PATH and \$10,000 to the Weingart Center for an Americorps outreach worker.

Hollywood Entertainment

December 31, 2014 Report

| Category | Q4 | Year to Date |
|-----------------------|------|--------------|
| Arrests | 83 | 742 |
| Radio Calls | 823 | 3077 |
| Business Contacts | 4856 | 23935 |
| Citizen Contacts | 3437 | 15463 |
| Homeless Referrals | 399 | 1135 |

III. Streetscape and Planning

- The BID's landscape contractor, Landsco, installed the first phase of drought-tolerant plants in the La Brea median in early October. The second phase will be installed on October 22nd. It appears the plants have adapted well to their new environment and maintenance has been minimal.
- In preparation for a planned Mobility Summit in early 2015, a focus group was held on November 10 at the Loew's Hotel. Key stakeholders from the Chamber and both BIDs were invited and speakers included representatives from Bloomberg Associates, including Janette Sadik-Kahn and the new GM of LADOT.
- Great progress was made in migrating Clean Street from the parking lot at Selma/Cherokee to a permanent locations. The lease paperwork was signed during December for the Cherokee space. The move in date will be January. The lease is for three years, with two one-year options to renew. Additionally, property owner Kayvan Setareh has allowed the team to utilize his property near the 101 freeway, free of charge in exchange for improvements to the property, on a 30-day trial basis. All the Clean Street vehicles are being parked there.
- John Peterson, the star polisher for the last 15 years, retired in December. A luncheon was held in his honor with Clean Street and a tribute video created for the website.

IV. Marketing and Communications

- A "haunted Hollywood blogger tour" was held on September 20, 2014. It was mentioned on NBC4 news and Welcome to Southern CA.
- The infographics were revealed to the board at the November board meeting. Staff reported that Haines & Co. was working on pitching these to media, having already met with *LA Times*. In early 2015, staff will be making the infographics available digitally to the board and stakeholders. Additionally, they will be printed and mailed out to property owners in the new year, and a physical booklet of some sort will be produced to give to potential investors.

V. Other

- Kerry Morrison participated on a panel at the Structural Engineers Association of Southern CA conference, "Strengthening our Cities" on Monday, October 20, 2014. One of the key themes explored by the panel involved the implications for property owners if Los Angeles had a rating system for concrete buildings.
- Morrison attended a press conference where the Mayor announced his recommendations for seismic strengthening and resiliency policies. A working group will be formed in the new year to help inform BID policy on these proposals.

HED Fourth Quarter Report to City
2014

- The BID office was presented with dozens of public records requests over the course of the quarter. Examples include: Eight year's worth of monthly security reports, one year's worth of staff emails, six weeks worth of emails between staff and Andrews International, photos and videos held in possession by Andrews International, among others. The board retained the services of a special attorney to help staff make every effort to comply with these requests and related rules to the Brown Act.

Summary Report

Hollywood Property Owners Alliance

December 31, 2014

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>YTD Variance</u> |
|------------------------------------|---------------|---------------|-----------------|---------------------|
| Revenues | | | | |
| Assessment Revenue Received | 70,750 | - | 70,750 | |
| P/Y Assessments Received | 9,631 | | | |
| Other income | 19,776 | - | 19,776 | |
| Total Income | 100,157 | | | |
| Expenses | | | | |
| Security Costs | 143,116 | 136,096 | 7,020 | (40,729) |
| District Maintenance | 81,432 | 76,055 | 5,377 | (2,358) |
| District Mgmt, Policy & Admin | 87,168 | 48,409 | 38,759 | (2,661) |
| Special Projects/Mktg & Consulting | 19,248 | 10,563 | 8,685 | (4,947) |
| Contingency | 10,207 | 4,789 | 5,418 | (38,334) |
| City Fees | - | - | - | 231 |
| Total HPOA Expenses | 341,172 | 275,912 | 65,259 | (88,798) |
| CHC Expenses | 14,170 | 12,564 | 1,606 | 5,185 |
| DWP Grant Expense | 1,000 | - | 1,000 | 6,000 |
| Alley Planning & Maintenance | 11,417 | 11,418 | (1) | (13) |
| Total Combined Expenses | 367,759 | 299,895 | 67,864 | (77,627) |
| Change in Assets & Liabilities | (31,096) | | | |
| Cash Beginning Balance | \$ 840,841 | | | |
| Ending Cash Balance @ Month-End | \$ 542,144 | | | |
| Projected Activity | - | | | |
| Ending Liabilities | (170,568) | | | |
| Projected Cash Balance at Year-End | \$ 371,576 | | | |

Current A/R

| | |
|------|-------------------|
| 2014 | 208,164 |
| 2013 | 60,968 |
| 2012 | 53,347 |
| 2011 | 31,126 |
| 2010 | 20,150 |
| 2009 | 4,977 |
| | <u>\$ 378,732</u> |

| <u>Revenue Tracking</u> | | |
|-------------------------|--------------------|-----------|
| <u>2014</u> | <u>2013</u> | |
| 3,495,098 | 3,518,182 | Total |
| <u>(3,286,934)</u> | <u>(3,432,748)</u> | Collected |
| 208,164 | 85,434 | Due |